

RECORDATION NO. **18859-T** FILED

AUG 8 '01 10-28 AM

TS
SURFACE TRANSPORTATION BOARD

OF COUNSEL
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ELIAS C. ALVORD (1942)
ELLSWORTH C. ALVORD (1964)

August 7, 2001

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a), are two (2) copies of a Lease Termination, Release of Lien and Bill of Sale dated as of July 2, 2000 a secondary document as defined in the Board's Rules for Recordation of Documents.

The enclosed document is a partial termination and release and relates to the documents previously filed with the Commission under Recordation Number 18859.

The names and addresses of the parties to the enclosed document are:

Lessor/Indenture
Trustee:

State Street Bank and
Trust Company
225 Franklin Street
Boston, Massachusetts 02110

Lessee:

Union Pacific Railroad Company
(successor in interest to
Southern Pacific Transportation Company)
1416 Dodge Street
Omaha, NE 68179

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A description of the railroad equipment covered by the enclosed document is:

3 locomotives SP 8617, SP 8651 and SP 8704

A short summary of the document to appear in the index follows:

[Partial] Lease Termination, Release of Lien and Bill of Sale

Also enclosed is a check in the amount of \$28.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of each of the enclosed documents to the undersigned.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Robert W. Alvord', with a stylized flourish at the end.

Robert W. Alvord

RWA/anm
Enclosures

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(SPT 1994-C)
LEASE TERMINATION,
RELEASE OF LIEN
AND
BILL OF SALE

Dated as of July 2, 2000

Among

UNION PACIFIC RAILROAD COMPANY, formerly known as

SOUTHERN PACIFIC TRANSPORTATION COMPANY,

as Lessee,

and

STATE STREET BANK AND TRUST COMPANY
not in its individual capacity except as otherwise expressly provided,
but solely as the Owner Trustee/Lessor
and
Indenture Trustee

THIS LEASE TERMINATION, RELEASE OF LIEN AND BILL OF SALE, dated as of July 2, 2000 among UNION PACIFIC RAILROAD COMPANY, formerly known as SOUTHERN PACIFIC TRANSPORTATION COMPANY, a Delaware corporation (the "Lessee"), and STATE STREET BANK AND TRUST COMPANY, not in its individual capacity except as otherwise expressly provided, but solely as the Owner Trustee (the "Owner Trustee" or "Lessor"), and as Indenture Trustee (the "Indenture Trustee").

WITNESSETH

WHEREAS, the Lessor, the Lessee and the Indenture Trustee have, with the other parties thereto, heretofore entered into a Participation Agreement (SPT 1994-C), the Lessor and the Lessee have heretofore entered into a Lease of Railroad Equipment (SPT 1994-C) and the Indenture Trustee and the Owner Trustee have heretofore entered into a Trust Indenture and Security Agreement (SPT 1994-C), each dated as of January 15, 1994 (as such documents have been amended, the "Participation Agreement," the "Lease," and the "Indenture," respectively) (Capitalized terms used herein without definition shall have the respective meanings set forth in the Lease); and

WHEREAS, three (3) SD40M-2 Remanufactured Locomotives have suffered an Event of Loss and the Lessee has elected not to replace such units and has paid the Stipulated Loss Value and all other Rent required to be paid with respect to such units of equipment under the Lease; and

WHEREAS, a pro rata portion of each applicable Equipment Note for the Locomotives suffering an Event of Loss has been prepaid in accordance with the provisions of the agreements described above; and

WHEREAS, the Indenture provides for the transfer of all of the Indenture Trustee's right, title and interest in the Locomotives suffering an Event of Loss to the Owner Trustee and the release of such units of equipment from the lien of the Indenture, and the Lease provides for the termination of the Lease with respect to such units of equipment and the transfer of the Lessor's right, title and interest in such units of equipment to the Lessee, in each case if the Lessee has paid the Stipulated Loss Value and all other Rent applicable to such units of equipment and needed to effect a partial prepayment of the Equipment Notes related thereto.

NOW THEREFORE, in consideration of the premises and for good and sufficient consideration, the parties hereto hereby agree as follows:

1. The lien of the Indenture with respect to the Locomotives listed on Exhibit A attached hereto and incorporated herein by this reference (the "Terminated Equipment") is hereby released and canceled, and the Indenture Trustee does hereby grant, bargain, sell, transfer and convey unto the Owner Trustee all of its right, title and interest in and to the Terminated Equipment, free and clear of all liens, security interests and other encumbrances created in or retained by it under the Indenture, but without

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further representation or warranty, to have and to hold all and singular the Terminated Equipment unto the Owner Trustee, its successors and assigns forever.

2. The Lease is hereby terminated and canceled with respect to the Terminated Equipment, and the Lessor does hereby grant, bargain, sell, transfer and convey unto the Lessee, all of its right, title and interest in and to the Terminated Equipment, "as is, where is," free and clear of all Lessor's Liens but without any other recourse or warranty, to have and to hold all and singular the Terminated Equipment unto the lessee, its successors and assigns forever.

3. Except as amended hereby, the Lease and the Indenture are hereby confirmed and ratified and shall continue in full force and effect.

4. This document may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute one and the same instrument.

IN WITNESS WHEREOF, each of the parties hereto, pursuant to due corporate authority, has caused this instrument to be duly executed in its corporate name by its officers thereunto duly authorized, all as of the date first above written.

UNION PACIFIC RAILROAD COMPANY,
as the Lessee

Attest:

By: Sean Mirlane

By: Steven A. Oiness
Name: Steven A. Oiness
Title: Assistant Treasurer

STATE STREET BANK AND TRUST COMPANY
not in its individual capacity except as otherwise
expressly provided, but solely as Owner Trustee, as
the Owner Trustee and the Lessor, and Indenture
Trustee

Attest:

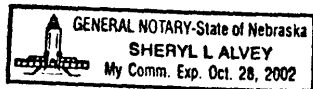
By: Nicole Poole

By: Julio A. Balona
Name: Julio A. Balona
Title: Assistant Vice President

State of Nebraska)
) SS
County of Douglas)

On this 14th day of September, 2000, before me, a notary public, personally appeared Steven A. Oiness, to me personally known, who being by me duly sworn, says that he is the Assistant Treasurer of Union Pacific Railroad Company, that said instrument was executed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

(Notarial Seal)



Sheryl L. Alvey
Notary Public

My Commission Expires: 10/28/2002

State of MA)
) SS
County of Suffolk)

On this 6 day of September, 2000, before me, a notary public, personally appeared Julie A. Balerna, to me personally known, who being by me duly sworn, says that she is the Assistant Vice President of STATE STREET BANK AND TRUST COMPANY, that said instrument was executed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

(Notarial Seal)

James M. Coolidge
Notary Public

My Commission Expires:

JAMES M. COOLIDGE
Notary Public
My Commission Expires June 19, 2003

Exhibit A

SCHEDULE OF TERMINATED EQUIPMENT

<u>Quantity of Units</u>	<u>Description</u>	<u>Road Numbers</u>
3	SD40M-2 Locomotives	SP 8617 SP 8651 SP 8704